

Statement of Candice Miller
Chairman
Subcommittee on Regulatory Affairs
Committee on Government Reform
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Good morning and welcome to our hearing this morning.

Our great nation has developed in just a few short centuries, into a society and a culture, that is envied by people around the globe.

They see an America that beat all the odds, they see the American people who have been able to excel because we truly have been the land of opportunity. A place where individuals can reach their highest potential in many cases by using their creativity and because of a desire to simply work hard.

And that ingenuity and work has manifested itself in our ability to build things. Things that other people want to buy. Commonly called manufacturing.

And for many years it has been widely acknowledged that the manufacturing industry has been a critical component of the backbone of America.

And for the most part, Government has understood that it does not create jobs, the private sector creates jobs, but that government can help to provide an environment that attracts business investment and encourages job creation.

But unfortunately today the American manufacturing industry is under attack.

There are a number of dynamics involved in this, and we hear the stories every day about good paying manufacturing jobs, that leave America, for other countries.

And we see our trading partners in other countries taking advantage of American generosity in some of our trade agreements, we see nations that live under the blanket of freedom and democracy, paid for by American dollars and in some cases, by American blood, today some of these nations subsidize their own manufacturing industries, to the disadvantage of ours.

Some of these nations are clearly manipulating their currency, again to the disadvantage of America. Many of these countries compete against our products by producing similar products in sweatshops or by a wage rate so low that we cannot compete with here in our country.

For these reasons and more, manufacturing has had a really tough go lately and the statistics show it.

Our manufacturing industry is responsible for 14 million jobs, 14% of GDP, over 60% of all exports and over 60% of all research and development spending.

Yet in just the past few years, the manufacturing sector has lost several million jobs. Both Union and non-union jobs. Jobs that have provided a high quality of life for so many Americans. That have contributed to raising the standard of living for millions of Americans.

And unfortunately, we find that oftentimes it is our own government, perhaps with the very best of intentions, who has become an unwitting partner in assisting other countries to import not just American products, but American jobs.

Why? Because of the onerous burden of excessive regulations. Consider some sobering statistics.

The Small Business Administration has estimated that the cost of compliance of governmental imposed regulations, cost small business as much as \$7,000 per employee.

The National Association of Manufacturers has estimated that the structural cost of American products compared with any of our foreign competitors is 22 to 23% higher, because of governmental imposed regulatory burdens.

And guess what, these regulations and rules were not imposed by countries like China or Japan. We have done it to ourselves – and the time is long overdue for us to do a cost-benefit analysis of many of these regulations.

Some will say that any attempt to reform these many regulations, even just a handful of the tens of thousands of them that exist today, will begin a decline of our standard of living – that we need to set the global standard.

That even if we continue to bleed manufacturing jobs, that even if we lose our ability to compete in a global marketplace, that it is all for the betterment of mankind, and that it is incumbent on America to shoulder the burden.

Let me just say that I am a defender of regulations that protect worker health and safety. I have spent almost 3 decades in public office as a principal advocate of our environment. I think of myself as an environmentalist, I think of myself as Green. But I must also say that I also think that we need to have a little green in our wallets.

I think the common standard must always be – what is reasonable.

That is why we are having this hearing today. We have an outstanding line up of panelists today and I feel certain that they will give us some excellent ideas for improving

the federal governments approach to regulations that are in place for the benefit of all Americans.

I know that working together, we can do the right thing for workers and the environment, while leveling the playing field and improving the competitiveness of American manufacturers.